

DAS – ITE

e-Payment Fee Summary

The following lists the current charges, as understood by ITE. All information should be verified with the State Treasurer's Office. Please note that it takes about three to four weeks to set up an account at both Wells Fargo and Authorize.net. The lead time required depends on the provider's backlog of accounts to set up.

Credit Cards

One-time Initial Costs

State e-Payment set-up charge.

Actual hours will be charged. It is estimated at 5 hours @ \$84.59 per hour (current FY' 06 rates).

\$422.95

Authorize.net set-up charge

\$199.00

Estimated One-time Cost

\$621.95

Ongoing Costs

State of Iowa e-Payment:

Per successful transaction \$0.26

Authorize.net:

Monthly fee \$25.00

Wells Fargo:

Monthly fee 0.25%

Applied to the month's gross sales. There is no longer a minimum monthly charge.

For example, if an agency has gross sales of \$5,107 in a month, Wells Fargo will charge the agency \$12.77.

Visa and MasterCard

The type of card used (MasterCard or Visa and whether debit, consumer card, corporate or rewards card) and how soon after authorization the transaction is actually batched and settled determine the rate applied. (To get the lowest rates each agency should batch and settle daily, which is the standard practice for the state's e-Payment engine.) The fees charged by the credit card issuers are:

Interchange Fees:

Card Type	Low Fee	High Fee
Consumer credit cards	0.80% + \$0.25	2.70% + \$0.10
Corporate/purchasing credit cards	1.70% + \$0.10	2.70% + \$0.10
Reward credit cards	1.65% + \$0.10	2.90% + \$0.10

Visa and MasterCard adjust their interchange fees annually, usually in April.

Assessment Fee:

Card Type	% of transaction amount
MasterCard	0.0950%
Visa	0.0925%

Chargeback Fee:

Occurs when a customer questions or disputes a transaction.
State agencies do not typically have a lot of disputed transactions.

\$15.00 *per disputed transaction*

We estimate that the fees charged by the bank, Authorize.net and Visa/MasterCard (NOT counting any ITE fees) would normally equal 1.9-4.0% of an agency's gross credit card sales. It tends to be the higher percentage if an agency has many small dollar transactions. The percentage is lower if an agency has fewer, higher dollar transactions.

Electronic Checks

One-time Initial Costs

State e-Payment set-up charge.

*Actual hours will be charged. It is estimated at 5 hours @
\$84.59 per hour (current FY' 06 rates).*

\$422.95

Ongoing Costs**State of Iowa e-Payment:**

Per successful transaction

\$0.26

At present the State Treasurer's Office absorbs any additional costs associated with the processing of electronic checks. That may change in the future.